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May 21, 2007

The Honorable Dave Camp Ranking Member Committee on Ways and Means Subcommittee on Health 1139E Longworth House office Building Washington, DC 20515

Dear Representative Camp:

Thank you and your aide, Dan, for asking for our opinion on the Congressional talks regarding the 2008 budget for Medicare Advantage.

We are writing to ask for your support of continued Medicare Advantage funding and for you to encourage your peers to do so as well. Our organization was established in 1951 to support education in Michigan and to assist public school retirees with pension and health benefit issues. Approximately 115,000 of those retirees recently enrolled in a "Private Fee for Service Medicare Advantage Plan" and now depend upon adequate funding of the program.

While the program has some growing pains, there are a number of significant advantages coming forth:

- The program has brought increased simplicity. Retired school employees previously had to deal with the confusion of coordinating Medicare with a supplemental plan. It was not unusual for our retirees to get caught in the middle with resultant increase in out-of-pocket expenses. Worse yet, there have been known instances of retirees not obtaining necessary care because of the confusion. The Advantage program has resulted in a single identification card, a single payer of benefits and a single explanation of benefits for review and record-keeping.
- The program is bringing wellness and care management benefits to the retirees not previously available. These are benefits that ultimately may improve the quality of life for the retirees while resulting in fewer needed services. Seemingly a win/win program that would not be put in place if it were not for the Advantage program. If funding is reduced for the program, it will almost certainly reduce the availability and effectiveness of these important programs.

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Perhaps most importantly to education here in Michigan are the savings that will accrue to our public schools. You are well aware of the difficult budgetary times we are facing. The Advantage program is providing significant savings to the public schools. Savings that would be impossible to match in any other way other than to reduce coverage for much needed medical services for the retirees or to reduce funding for classroom efforts at educating our children.

Our organization is aware of discussions to reduce funding for the Advantage program, even before sufficient experience has been gained to know whether a decentralizing of authority and responsibility will ultimately deliver care to our seniors with increased efficacy and at a reduced cost. We ask that you and your peers oppose any cuts to the current Advantage program and give it a chance. Our retired public school employees here in Michigan are depending upon you.

Very truly yours,

Bonnie J. Carpenter Executive Director

Donald E. Miller President

cc: MARSP Board of Directors